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Amendment

LCO No. 5549

HB0542805549HD0

Offered by:

REP. GIANNAROS, 21st Dist.

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To: Subst. House Bill No. 5428

File No. 347

Cal. No. 220

"AN ACT CONCERNING ELECTRIC RESTRUCTURING."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subdivisions (26) and (27) of subsection (a) of section 16-
4 1 of the general statutes, as amended by section 7 of public act 01-204,
5 are repealed and the following is substituted in lieu thereof (*Effective*
6 *July 1, 2002*):

7 (26) "Class I renewable energy source" means (A) energy derived
8 from solar power, wind power, a fuel cell, methane gas from landfills,
9 [or] ocean thermal power, wave or tidal power, low emission
10 advanced renewable energy conversion technologies, a hydropower
11 facility, provided such facility is certified as low-impact hydropower
12 by the Low-Impact Hydro Institute within the New England Power
13 Pool or its successor, a biomass facility, including, but not limited to, a

14 biomass gasification plant that utilizes land clearing debris, tree
15 stumps or other biomass that regenerates or the use of which will not
16 result in a depletion of resources, provided such facility begins
17 operating on or after July 1, 1998, except that the production of
18 electricity from a sustainable biomass facility may be considered a
19 Class I renewable energy source, provided the average emission rate
20 for such facility is equal to or less than .075 pounds of nitrogen oxides
21 per million BTU of heat input for the previous calendar quarter and
22 provided such biomass is cultivated and harvested in a sustainable
23 manner, or (B) distributed generation generated from a Class I
24 renewable energy source;

25 (27) "Class II renewable energy source" means energy derived from
26 a trash-to-energy facility, or a biomass facility [that does not meet the
27 criteria for a class I renewable energy source] that exceeds such
28 facility's three-year average production of electricity for the period of
29 1995 to 1997, inclusive, provided the average emission rate for such
30 facility is equal to or less than .2 pounds of nitrogen oxides per million
31 BTU of heat input for the previous calendar quarter or a hydropower
32 facility, provided such facility has a license issued by the Federal
33 Energy Regulatory Commission, has been exempted from such
34 licensure, is the subject of a license application or notice of intent to
35 seek a license from said commission, has been found by the
36 Commissioner of Environmental Protection to be operating in
37 compliance with the federal Clean Water Act, or has been found by the
38 [Canadian environmental assessment agency] appropriate Canadian or
39 provincial regime to be operating in compliance with said [agency's]
40 regime's resource objectives.

41 Sec. 2. Subsection (a) of section 16-1 of the general statutes, as
42 amended by section 1 of public act 01-49 and section 7 of public act 01-
43 204, is amended by adding subdivision (40) as follows (*Effective July 1,*
44 *2002*):

45 (NEW) (40) "Distributed generation" means the generation of
46 electricity on the premises of an end user within the transmission and

47 distribution system including fuel cells, microturbines, photovoltaic
48 systems or small wind turbines.

49 Sec. 3. Section 16-243h of the general statutes is repealed and the
50 following is substituted in lieu thereof (*Effective July 1, 2002*):

51 On and after January 1, 2000, each electric supplier, as defined in
52 section 16-1, as amended by this act, and any electric distribution
53 company providing, pursuant to section 16-244c, as amended by this
54 act, standard offer, default or back-up services, shall give a credit for
55 any electricity generated by a residential customer from a Class I
56 renewable energy source or a hydropower facility as described in
57 subdivision (27) of subsection (a) of section 16-1, as amended by this
58 act. The electric distribution company providing electric distribution
59 services to such a customer shall make such interconnections necessary
60 to accomplish such purpose. An electric distribution company, at the
61 request of any residential customer served by such company and if
62 necessary to implement the provisions of this section, shall provide for
63 the installation of metering equipment that (1) measures electricity
64 consumed by such customer from the facilities of the electric
65 distribution company, (2) deducts from the measurement the amount
66 of electricity produced by the customer and not consumed by the
67 customer, and (3) registers, for each billing period, the net amount of
68 electricity either [(i)] (A) consumed and produced by the customer, or
69 [(ii)] (B) the net amount of electricity produced by the customer. A
70 residential customer who generates electricity from a generating unit
71 with a name plate capacity of more than ten kilowatts of electricity
72 pursuant to the provisions of this section shall be assessed for the
73 competitive transition assessment, pursuant to section 16-245g and the
74 systems benefits charge, pursuant to section 16-245l based on the
75 amount of electricity consumed by the customer from the facilities of
76 the electric distribution company without netting any electricity
77 produced by the customer. For purposes of this section, "residential
78 customer" means a customer of a single-family dwelling or
79 multifamily dwelling consisting of two to four units.

80 Sec. 4. Section 16-244c of the general statutes is repealed and the
81 following is substituted in lieu thereof (*Effective July 1, 2002*):

82 (a) (1) On and after January 1, 2000, each electric distribution
83 company, as defined in section 16-1, as amended by this act, shall
84 make available to all customers in its service area, the provision of
85 electric generation and distribution services through a standard offer.
86 Under the standard offer, a customer shall receive electric services at a
87 rate established by the Department of Public Utility Control pursuant
88 to subdivision (2) of this subsection. Each electric distribution
89 company shall provide electric generation services in accordance with
90 such option to any customer who affirmatively chooses to receive
91 electric generation services pursuant to the standard offer or does not
92 or is unable to arrange for or maintain electric generation services with
93 an electric supplier, as defined in said section 16-1. The standard offer
94 shall automatically terminate on January 1, 2004, unless extended by
95 the General Assembly pursuant to section 74 of public act 98-28*.
96 While providing electric generation services under the standard offer,
97 an electric distribution company may provide electric generation
98 services through any of its generation entities or affiliates, provided
99 such entities or affiliates are licensed pursuant to section 16-245, as
100 amended by this act.

101 (2) Not later than October 1, 1999, the Department of Public Utility
102 Control shall establish the standard offer for each electric distribution
103 company, effective January 1, 2000, which shall allocate the costs of
104 such company among electric transmission and distribution services,
105 electric generation services, the competitive transition assessment and
106 the systems benefits charge. The department shall hold a hearing that
107 shall be conducted as a contested case in accordance with chapter 54 to
108 establish the standard offer. The standard offer shall provide that the
109 total rate charged under the standard offer, including electric
110 transmission and distribution services, the conservation and load
111 management program charge described in section 16-245m, as
112 amended by this act, the renewable energy investment charge
113 described in section 16-245n, electric generation services, the

114 competitive transition assessment and the systems benefits charge
115 shall be at least ten per cent less than the base rates, as defined in
116 section 16-244a, in effect on December 31, 1996. The standard offer
117 shall be adjusted to the extent of any increase or decrease in state taxes
118 attributable to sections 12-264 and 12-265 and any other increase or
119 decrease in state or federal taxes resulting from a change in state or
120 federal law and shall continue to be adjusted during such period
121 pursuant to section 16-19b. Notwithstanding the provisions of section
122 16-19b, the provisions of said section 16-19b shall apply to electric
123 distribution companies. The standard offer may be adjusted, by an
124 increase or decrease, to the extent approved by the department, in the
125 event that (A) the revenue requirements of the company are affected as
126 the result of changes in legislative enactments other than public act 98-
127 28**, administrative requirements or accounting standards occurring
128 after July 1, 1998, provided such accounting standards are adopted by
129 entities independent of the company that have authority to issue such
130 standards, or (B) an electric distribution company incurs extraordinary
131 and unanticipated expenses required for the provision of safe and
132 reliable electric service to the extent necessary to provide such service.
133 Savings attributable to a reduction in taxes shall not be shifted between
134 customer classes.

135 (3) The price reduction provided in subdivision (2) of this
136 subsection shall not apply to customers who, on or after July 1, 1998,
137 are purchasing electric services from an electric company or electric
138 distribution company, as the case may be, under a special contract or
139 flexible rate tariff, and the company's filed standard offer tariffs shall
140 reflect that such customers shall not receive the standard offer price
141 reduction.

142 [(b) On and after January 1, 2004, each electric distribution company
143 shall serve any customer who does not or is unable to arrange for or
144 maintain electric generation services with an electric supplier. The
145 electric distribution company shall procure electric generation services
146 for such customers through a competitive bidding process. An electric
147 distribution company may procure electric generation services through

148 any of its generation entities or affiliates, provided such entity or
149 affiliate is the lowest qualified bidder and provided further any such
150 entity or affiliate is licensed pursuant to section 16-245.]

151 (b) (1) (A) On and after January 1, 2004, each electric distribution
152 company shall offer electric generation services to a residential
153 customer who is eligible for (i) hardship protection pursuant to
154 subdivision (3) of subsection (b) of section 16-262c, (ii) the temporary
155 family assistance program pursuant to section 17b-112, (iii) the state
156 supplement to the aged, blind and disabled program pursuant to
157 section 17b-106, or (iv) food stamps pursuant to the Food Stamp Act of
158 1977, as amended. Such eligibility shall be determined every calendar
159 quarter by the electric distribution company.

160 (B) Not later than October 1, 2003, and periodically as required by
161 subdivision (6) of this subsection, but not more often than every
162 calendar quarter, the department shall establish a default service price
163 for such customers that shall consist of the market cost of generation
164 services as established pursuant to subdivision (6) of this subsection.
165 Each electric distribution company shall recover the actual net costs of
166 procuring and providing generation services pursuant to this
167 subparagraph, provided such company mitigates the costs it incurs for
168 the procurement of generation services for customers who are no
169 longer receiving service pursuant to this subdivision.

170 (C) Administrative costs incurred by the electric distribution
171 company for providing service pursuant to this subdivision shall be
172 eligible for inclusion in rates pursuant to sections 16-19 and 16-19e. The
173 department shall reopen the last rate case of each electric distribution
174 company for the sole purpose of including such costs in their rates.

175 (2) (A) On and after January 1, 2004, each electric distribution
176 company shall provide electric generation services for any customer
177 who (i) does not arrange for or is not receiving electric generation
178 services with an electric supplier, (ii) is not eligible for service pursuant
179 to subdivision (1) of this subsection, and (iii) does not use a demand

180 meter or has a maximum demand of less than three hundred fifty
181 kilowatts.

182 (B) Not later than October 1, 2003, and periodically as required by
183 subdivision (6) of this subsection, but not more often than every
184 calendar quarter, the Department of Public Utility Control shall
185 establish the default service price for such customers that shall consist
186 of (i) the market cost for generation services as established pursuant to
187 subdivision (6) of this subsection, and (ii) a market development
188 assessment as established pursuant to subdivision (4) of this
189 subsection. Each electric distribution company shall recover the actual
190 net costs of procuring and providing generation services pursuant to
191 this subparagraph, provided such company mitigates the costs it
192 incurs for the procurement of generation services for customers that
193 are no longer receiving service pursuant to this subdivision.

194 (3) (A) An electric distribution company shall serve customers that
195 may not receive default service pursuant to subdivisions (1) and (2) of
196 this subsection as the supplier of last resort. This section shall not
197 apply to customers purchasing power under contracts entered into
198 pursuant to section 16-19hh.

199 (B) An electric distribution company shall procure electricity to
200 provide electric generation services to such customers. The
201 Department of Public Utility Control shall determine a price for such
202 customers that reflects the full cost of providing the electricity on a
203 monthly basis. Each electric distribution company shall recover the
204 actual net costs of procuring and providing generation services
205 pursuant to this subparagraph, provided such company mitigates the
206 costs it incurs for the procurement of generation services for customers
207 that are no longer receiving service pursuant to this subdivision.

208 (C) In addition to the price set pursuant to subparagraph (B) of this
209 subdivision, an electric distribution company shall assess such
210 customers a market development assessment as established pursuant
211 to subdivision (4) of this subsection.

212 (4) Not later than July 1, 2003, the Department of Public Utility
213 Control shall hold a hearing that shall be conducted as a contested
214 case, in accordance with chapter 54, to establish the market
215 development assessment to be charged for the service contained in
216 subdivisions (2) and (3) of this subsection and the methods for
217 disbursement of such assessment. The market development
218 assessment shall average no more than eight-tenths of a cent per
219 kilowatt hour for all the customers that qualify for the services
220 contained in subdivisions (2) and (3) of this subsection, provided the
221 department shall not approve any assessment that causes the
222 assessment on any one customer class to exceed the rate differential
223 described in subsection (b) of section 16-245x and provided the
224 department shall not approve an assessment for any such customers
225 that is greater than ninety-five one-hundredths of a cent per kilowatt
226 hour. For purposes of this subdivision, "market development
227 assessment" means the approximate additional costs of entering the
228 market for a supplier, the customer acquisition costs of a retail supplier
229 and the administrative costs, not exceeding two mills per kilowatt
230 hour, incurred by the distribution company in providing default
231 service pursuant to subdivisions (2) and (3) of this subsection which
232 shall include a reasonable fee for the management of such services.
233 Such management fee shall be included in the earning sharing
234 mechanism of an electric distribution company approved by the
235 department, provided the customers' share of such earnings shall be
236 held in a separate, interest-bearing account and shall be used by the
237 electric distribution company to fund the revenue requirements of
238 electric distribution company reliability capital additions, and further
239 provided that the management fee shall be excluded from the
240 establishment of base rates for such company in rate proceedings.

241 (5) (A) There is established an account to be known as the "market
242 development assessment account", which shall be held by each electric
243 distribution company separate and apart from all other funds or
244 accounts. There shall be deposited in the account the proceeds from
245 the market development assessment collected pursuant to subdivisions

246 (2) to (4), inclusive, of this subsection. The portion of the market
247 development assessment that is attributable to the administrative costs
248 for providing the services described in subdivisions (2) and (3) of this
249 subsection shall be distributed by the department to the respective
250 electric distribution company on a monthly basis. Investment earnings
251 credited to the assets of the account shall become part of the assets of
252 the account. Any balance remaining in the account at the end of any
253 calendar year shall be carried forward in the account for the calendar
254 year next succeeding. The Department of Public Utility Control shall
255 annually hold a hearing that shall be conducted as a contested case
256 pursuant to chapter 54 to determine the amount of allocation of the
257 proceeds that are not attributable to the administrative costs for
258 providing the services described in subdivisions (2) and (3) of this
259 subsection, with not more than seven and one-half million dollars to be
260 annually allocated to the Renewable Energy Investment Fund
261 established pursuant to section 16-245n, as amended by this act, to the
262 extent that such funds are available, and the remainder to be annually
263 allocated to the payment of stranded costs and the credit program
264 created pursuant to section 16-244d, with not less than two-thirds of
265 such remainder to be allocated to the payment of stranded costs. Such
266 allocation to the stranded costs shall be credited to the stranded costs
267 for the customer class that paid the market development assessment.
268 Notwithstanding the provisions of substitute senate bill 342 of the
269 current session, neither Connecticut Innovations, Incorporated nor any
270 subsidiary of Connecticut Innovations, Incorporated shall make any
271 form of advanced commitment with the funds allocated to it pursuant
272 to this subdivision.

273 (B) The department shall, within available resources, conduct a
274 study on the collection of the market development assessment and the
275 use of such assessment. The department shall, not later than January 1,
276 2006, issue a report that includes, but is not limited to, information on
277 the annual amount of the market development assessment collected by
278 the electric distribution companies, the annual amount of the proceeds
279 of the assessment that are allocated by the electric distribution

280 companies, and recommendations for future uses of the assessment for
281 the benefit of ratepayers.

282 (6) (A) Notwithstanding any regulations regarding a competitive
283 bidding process the procurement of default or back-up electric
284 generation services, an electric distribution company providing
285 generation services pursuant to subdivisions (1) and (2) of this
286 subsection shall mitigate the variation of the price of the service
287 offered to its customers by procuring generation service contracts in
288 the manner prescribed in a plan approved by the Department of Public
289 Utility Control. Such plan shall require that a portfolio of service
290 contracts sufficient to meet the projected load shall be effective for the
291 period commencing on January 1, 2004. In addition, such plan or
292 bidding process shall require that the portfolio of contracts be
293 procured in an overlapping pattern of fixed periods at such times and
294 in such manner and duration as the department determines to be most
295 likely to produce just, reasonable and reasonably stable retail rates
296 while reflecting underlying wholesale market prices over time. The
297 portfolio of contracts shall be assembled in such manner as to invite
298 competition, guard against favoritism, improvidence, extravagance,
299 fraud and corruption, and secure a reliable electricity supply while
300 avoiding unusual, anomalous or excessive pricing. The portfolio of
301 contracts procured under such plan shall be for terms of not less than
302 six months, provided contracts for shorter periods may be procured
303 under such conditions as the department shall prescribe to ensure
304 reliable service under extraordinary circumstances or as necessary for
305 the prudent management of the contract portfolio. An electric
306 distribution company may receive a bid for a generation service
307 contract from any of its generation entities or affiliates, provided such
308 entity or affiliate submits its bid the business day preceding the day
309 that an unaffiliated electric supplier submits its bid and further
310 provided the electric distribution company and the generation entity
311 or affiliate are in compliance with the code of conduct pursuant to
312 section 16-244h.

313 (B) The department, in consultation with the Office of Consumer

314 Counsel, shall retain the services of a third-party entity with expertise
315 in the area of energy procurement. The entity shall oversee the
316 development of the request for proposal and the bidding process
317 conducted by an electric distribution company. Each bidder shall
318 submit its bid to the electric distribution company and the third-party
319 entity who shall jointly review the bids and submit an overview of all
320 bids together with a joint recommendation to the department as to the
321 preferred bidders. The department may, within five days of
322 submission of the overview, reject the recommendation of the
323 preferred bidders. In the event that the department rejects the
324 preferred bids, the electric distribution company shall rebid the
325 service.

326 (7) The Department of Public Utility Control and the Office of
327 Consumer Counsel shall, within available resources, biennially
328 conduct a joint study on default services provided pursuant to this
329 subsection. Such study shall include, but not be limited to, an analysis
330 of (A) the population of residential customers remaining on default
331 service, (B) the effectiveness of the market development assessment in
332 encouraging customers to contract with an electric supplier, (C) the
333 pricing for each type of default service, and (D) such other issues as the
334 department and the Office of Consumer Counsel determine are
335 appropriate. Not later than January 1, 2005, and biennially thereafter,
336 the department and the Office of Consumer Counsel shall submit a
337 report on its findings and recommendations to the joint standing
338 committee of the General Assembly having cognizance of matters
339 relating to energy, in accordance with the provisions of section 11-4a.

340 (c) On and after January 1, 2000, and until such time the regional
341 independent system operator implements procedures for the provision
342 of back-up power to the satisfaction of the Department of Public Utility
343 Control, each electric distribution company shall provide electric
344 generation services to any customer who has entered into a service
345 contract with an electric supplier that fails to provide electric
346 generation services for reasons other than the customer's failure to pay
347 for such services. Between January 1, 2000, and December 31, 2003, an

348 electric distribution company may procure electric generation services
349 through a competitive bidding process or through any of its generation
350 entities or affiliates. On and after January 1, 2004, such company shall
351 procure electric generation services through a competitive bidding
352 process. Such company may procure electric generation services
353 through any of its generation entities or affiliates, provided such entity
354 or affiliate is the lowest qualified bidder and provided further any
355 such entity or affiliate is licensed pursuant to section 16-245, as
356 amended by this act.

357 (d) An electric distribution company is not required to be licensed
358 pursuant to section 16-245, as amended by this act, to provide
359 [standard offer electric generation] services in accordance with
360 [subsection (a) of this section or back-up electric generation services
361 prior to January 1, 2004, in accordance with subsection (c) of] this
362 section.

363 (e) The electric distribution company shall be entitled to recover
364 reasonable costs incurred as a result of providing standard offer
365 electric generation services pursuant to the provisions of subsection (a)
366 of this section [, the default service pursuant to subsection (b) of this
367 section] or the back-up electric generation services pursuant to
368 subsection (c) of this section. The provisions of this section and section
369 16-244a shall satisfy the requirements of section 16-19a until January 1,
370 2004.

371 (f) The Department of Public Utility Control shall establish, by
372 regulations adopted pursuant to chapter 54, [standards or procedures
373 for an electric distribution company's procuring power and
374 competitive bidding for purposes of subsections (b) and (c) of this
375 section in a commercially reasonable manner and] procedures for
376 when and how a customer is notified that his electric supplier has
377 defaulted and of the need for the customer to choose a new electric
378 supplier within a reasonable period of time.

379 (g) An electric distribution company providing default service in

380 accordance with subsection (b) of this section or back-up electric
381 generation services in accordance with subsection (c) of this section
382 shall comply with the portfolio standards pursuant to section 16-245a,
383 as amended by this act. On and after January 1, 2004, any such electric
384 distribution company that fails to comply with the portfolio standards
385 when renewable energy sources are reasonably available within the
386 jurisdictions specified in section 16-245a, as amended by this act, shall
387 be required to make a payment to the department which the
388 department shall annually allocate in accordance with subsection (l) of
389 section 16-245, as amended by this act. The department shall determine
390 the methodology for setting such payment in the hearing conducted
391 pursuant to said subsection and shall, at the end of each calendar year,
392 set the amount of such payment for the preceding calendar year in the
393 hearing conducted pursuant to said subsection. Such payments shall
394 not be deemed a recoverable operating expense in any rate
395 proceedings held pursuant to section 16-19.

396 Sec. 5. Section 16-244d of the general statutes is amended by adding
397 subsections (f) to (h), inclusive, as follows (*Effective July 1, 2002*):

398 (NEW) (f) The Department of Public Utility Control, in consultation
399 with the Office of Consumer Counsel, shall establish a program for the
400 dissemination of information regarding electric suppliers. Such
401 program shall require electric distribution companies to distribute an
402 informational summary on electric suppliers to any new customer and
403 to existing customers beginning on January 1, 2003, and biannually
404 thereafter. Such informational summary shall be developed by the
405 department and shall include, but not be limited to, the name of each
406 licensed electric supplier, the state where the supplier is based,
407 information on whether the supplier has active offerings for either
408 residential or commercial and industrial consumers, the telephone
409 number and Internet address of the supplier, and an identification of
410 whether the supplier offers electric generation services from renewable
411 energy sources in excess of the portfolio standards pursuant to section
412 16-245a, as amended by this act. The department shall include pricing
413 information in the informational summary to the extent the

414 department determines feasible. The department shall post the
415 informational summary in a conspicuous place on its website and
416 provide electronic links to the website of each supplier. The
417 department shall update the informational summary on its website on
418 at least a quarterly basis.

419 (NEW) (g) The Department of Public Utility Control, in consultation
420 with the Office of Consumer Counsel and the Consumer Education
421 Advisory Council, shall, not later than October 1, 2002, develop a plan
422 for the restart of the education outreach program on or before October
423 1, 2003, and submit such plan to the joint standing committee of the
424 General Assembly having cognizance of matters relating to energy and
425 technology, in accordance with the provisions of section 11-4a.

426 (NEW) (h) Not later than January 1, 2003, the Department of Public
427 Utility Control shall adopt regulations, in accordance with chapter 54,
428 to establish a customer reimbursement program for residential
429 customers receiving default service pursuant to section 16-244c, as
430 amended by this act. Such program shall require an electric
431 distribution company to give a credit or payment, as determined by
432 the department, from the payments received pursuant to subdivision
433 (5) of subsection (b) of section 16-244c, as amended by this act, to a
434 residential customer who chooses an electric supplier and maintains
435 service with an electric supplier for not less than one year, except in
436 the case where a supplier is unable to provide electric generation
437 services to a customer, such customer shall be entitled to receive the
438 credit or payment if such customer maintains electric generation
439 service with any supplier, including the supplier who has failed to
440 provide electric generation service, for a period of twelve months in
441 any consecutive eighteen-month period. Nothing in this subsection
442 shall be construed to prohibit an electric supplier from assessing a
443 customer an early termination fee. Such credit program shall terminate
444 on December 31, 2006. No customer shall receive more than one credit
445 or payment pursuant to this subsection.

446 Sec. 6. Section 16-245 of the general statutes, as amended by section

447 6 of substitute senate bill 383 of the current session, is repealed and the
448 following is substituted in lieu thereof (*Effective from passage*):

449 (a) No person, no municipality and no regional water authority
450 shall execute any contract relating to the sale of electric generation
451 services to be rendered after January 1, 2000, to end use customers
452 located in the state unless such person has been issued a license by the
453 department in accordance with the provisions of this section. No
454 license shall be valid before July 1, 1999.

455 (b) On and after January 1, 2000, no person, no municipality and no
456 regional water authority shall sell or attempt to sell electric generation
457 services to end use customers located in the state using the
458 transmission or distribution facilities of an electric distribution
459 company [, as defined in section 16-1, and no municipality, no regional
460 water authority and the Connecticut Resources Recovery Authority
461 except as provided in section 16-245b and no person shall aggregate,
462 broker or market the sale of electric generation services to end use
463 customers using the transmission or distribution facilities of an electric
464 distribution company] unless the person has been issued a license by
465 the Department of Public Utility Control in accordance with the
466 provisions of this section, provided an electric distribution company is
467 not required to be licensed pursuant to this section to provide electric
468 generation services pursuant to [subsection (a) or, prior to January 1,
469 2004, subsection (c) of] section 16-244c, as amended by this act. On and
470 after the effective date of this section, the Connecticut Resources
471 Recovery Authority shall not sell or attempt to sell electric generation
472 services to end-use customers located in the state using the
473 transmission or distribution facilities of an electric distribution
474 company unless the authority has been issued a license by the
475 Department of Public Utility Control in accordance with the provisions
476 of this section. Not later than January 1, 1999, the department shall, by
477 regulations adopted pursuant to chapter 54, develop licensing
478 procedures. The licensing process shall begin not later than April 1,
479 1999.

480 (c) To ensure the safety and reliability of the supply of electricity in
481 this state, the Department of Public Utility Control shall not issue a
482 license unless the person, municipality, regional water authority or the
483 Connecticut Resources Recovery Authority can demonstrate to the
484 satisfaction of the department that [:(1) The] the person, municipality,
485 regional water authority or the Connecticut Resources Recovery
486 Authority has the technical, managerial and financial capability to
487 provide electric generation services and provides and maintains a
488 bond or other security in amount and form approved by the
489 department, to ensure its financial responsibility and its supply of
490 electricity to end use customers in accordance with contracts,
491 agreements or arrangements. [:(2) the person or the entity or entities
492 with whom the person has a contractual relationship to purchase
493 power is in compliance with all applicable licensing requirements of
494 the Federal Energy Regulatory Commission; (3) the person is
495 registered with or certified by the regional independent systems
496 operator or has a contractual relationship with one or more entities
497 who are registered with or certified by the regional independent
498 systems operator and is in compliance with all system rules and
499 standards established by the regional independent systems operator;
500 (4) the person owns or purchases such capacity and reserves as may be
501 required by the regional independent system operator, to provide
502 adequate electricity to all the person's customers; (5) the person's
503 generation facilities located in North America are in compliance with
504 regulations adopted by the Commissioner of Environmental Protection
505 pursuant to section 22a-174j; and (6) for any generation facility within
506 this state, the facility is in compliance with chapter 277a and state
507 environmental laws and regulations.] A license shall be subject to
508 periodic review on a schedule to be established by the department.

509 (d) An application for a license shall be filed with the Department of
510 Public Utility Control, accompanied by a fee pursuant to subsection (e)
511 of this section. The application shall contain such information as the
512 department may deem relevant, including, but not limited to, the
513 following: (1) The address of the applicant's headquarters and the

514 articles of incorporation, as filed with the state in which the applicant
515 is incorporated; (2) the address of the applicant's principal office in the
516 state, [and] if any, or the address of the applicant's agent for service in
517 the state; (3) the toll-free telephone number for customer service; (4)
518 information about the applicant's corporate structure, including names
519 and financial statements, as appropriate, concerning corporate
520 affiliates; (5) a disclosure of whether the applicant or any of the
521 [applicant is] applicant's corporate affiliates or officers have been or
522 are currently under investigation for violation of any consumer
523 protection law or regulation to which it is subject, either in this state or
524 in another state; (6) a copy of its standard service contract; [(7) an
525 attestation that it is subject to chapters 208, 212, 212a and 219, as
526 applicable, and that it shall pay all taxes it is subject to in this state; and
527 (8)] and (7) a scope of service plan which sets forth, among other
528 things, a description of the geographic area the applicant plans to
529 serve.

530 (e) The application fee shall include the costs to investigate and
531 administer the licensing procedure and shall be commensurate with
532 the level of investigation necessary, as determined by regulations
533 adopted by the Department of Public Utility Control.

534 (f) Not more than thirty days after receiving an application, the
535 Department of Public Utility Control shall notify the applicant whether
536 the application is complete or whether the applicant must submit
537 additional information. The department shall grant or deny a license
538 application [, after notice and a hearing,] not more than ninety days
539 after receiving all information required of an applicant. [Any hearing
540 shall be conducted as a contested case in accordance with chapter 54.]
541 The department shall hold a public hearing on an application upon the
542 request of any interested party.

543 (g) [The Department of Public Utility Control shall require, as] As
544 conditions of [a license,] continued licensure, in addition to the
545 requirements of subsection (c) of this section, a licensee shall ensure
546 that: (1) The [supplier] licensee complies with the National Labor

547 Relations Act and regulations, if applicable; (2) the [supplier] licensee
548 complies with the Connecticut Unfair Trade Practices Act and
549 applicable regulations; (3) each generating facility operated by or
550 under long-term contract to the [supplier] licensee complies with
551 regulations adopted by the Commissioner of Environmental
552 Protection, pursuant to section 22a-174j; (4) the [supplier] licensee
553 complies with the portfolio standards, pursuant to section 16-245a, as
554 amended by this act; (5) the licensee is a member of the New England
555 Power Pool or its successor or has a contractual relationship with one
556 or more entities who are members of the New England Power Pool or
557 its successor and the [supplier] licensee complies with the [system]
558 rules of the regional independent system operator and standards and
559 any other reliability guidelines of the regional independent systems
560 operator; (6) the [supplier] licensee agrees to cooperate with the
561 department and other electric suppliers, as defined in section 16-1, as
562 amended by this act, in the event of an emergency condition that may
563 jeopardize the safety and reliability of electric service; (7) the [supplier]
564 licensee complies with the Code of Conduct established pursuant to
565 section 16-244h; [and] (8) for a license to a participating municipal
566 electric utility, the [supplier] licensee provides open and
567 nondiscriminatory access [of] to its distribution facilities to other
568 licensed electric suppliers; (9) the licensee or the entity or entities with
569 whom the licensee has a contractual relationship to purchase power is
570 in compliance with all applicable licensing requirements of the Federal
571 Energy Regulatory Commission; (10) each generating facility operated
572 by or under long-term contract to the licensee complies with chapter
573 277a and state environmental laws and regulations; and (11) the
574 licensee acknowledges that it is subject to chapters 208, 212, 212a and
575 219, as applicable, and the licensee pays all taxes it is subject to in this
576 state. Also as a condition of a license, the department shall prohibit
577 each [supplier] licensee from declining to provide service to customers
578 for the reason that the customers are located in economically distressed
579 areas. The department may establish additional reasonable conditions
580 to assure that all retail customers will continue to have access to
581 electric generation services.

582 (h) The department shall maintain regular communications with the
583 regional independent system operator to effectuate the provisions of
584 this section and to ensure that an adequate, safe and reliable supply of
585 electricity is available.

586 (i) Each licensee shall, at such times as the department requires but
587 not less than annually, submit to the Department of Public Utility
588 Control, on a form prescribed by the department, an update of
589 information the department deems relevant. Each licensee shall notify
590 the department at least ten days before: (1) A change in corporate
591 structure that affects the licensee; (2) a change in the scope of service,
592 as provided in the [supplier's] licensee's scope of service plan
593 submitted to the department as part of the application process; and (3)
594 any other change the department deems relevant.

595 (j) No license may be transferred without the prior approval of the
596 department. The department may assess additional licensing fees to
597 pay the administrative costs of reviewing a request for such transfer.

598 [(k) An electric aggregator shall not be subject to the provisions of
599 subdivisions (2) to (6), inclusive, of subsection (c) of this section and
600 subdivisions (4) and (5) of subsection (g) of this section.]

601 [(l)] ~~(k)~~ Any [person] licensee who fails to comply with a license
602 condition or who violates any provision of this section, except for the
603 renewable portfolio conditions contained in subsection (g) of this
604 section, shall be subject to [sanctions] civil penalties by the Department
605 of Public Utility Control in accordance with section 16-41, [which may
606 include, but are not limited to,] or the suspension or revocation of such
607 license or a prohibition on accepting new customers by the
608 Department of Public Utility Control following a hearing that is
609 conducted as a contested case in accordance with chapter 54. On or
610 after January 1, 2004, any licensee who fails to comply with the
611 portfolio standards in accordance with subsection (g) of this section
612 when renewable energy sources are reasonably available within the
613 jurisdictions specified in section 16-245a, as amended by this act, shall

614 make a payment to the department which the department shall
615 annually use to reduce stranded costs.

616 (l) Not later than October 1, 2003, the department shall hold a
617 hearing that is conducted as a contested case in accordance with
618 chapter 54 to determine the methodology for setting such a payment
619 including, but not limited to, a means of determining when renewable
620 energy sources are reasonably available and a means of setting the
621 payment at a level that is greater than the cost of purchasing the
622 renewable energy sources on the market. Thereafter, the department
623 shall at the end of each calendar year set the amount of such payment
624 for the preceding calendar year on a cent per kilowatt hour basis
625 following a hearing that is conducted as a contested case in accordance
626 with chapter 54.

627 (m) (1) An electric aggregator shall not be subject to subsections (a)
628 to (l), inclusive, of this section.

629 (2) No electric aggregator shall negotiate a contract for the purchase
630 of electric generation services from an electric supplier unless such
631 aggregator has (A) obtained a certificate of registration from the
632 Department of Public Utility Control in accordance with this
633 subsection, or (B) in the case of a municipality, regional water
634 authority and the Connecticut Resources Recovery Authority,
635 registered in accordance with section 16-245b. An electric aggregator
636 that was licensed pursuant to this section prior to the effective date of
637 this section shall receive a certificate of registration on the effective
638 date of this section.

639 (3) An application for a certificate of registration shall be filed with
640 the department, accompanied by a fee as determined by the
641 department. The application shall contain such information as the
642 department may deem relevant, including, but not limited to, the
643 following: (A) The address of the applicant's headquarters and the
644 articles of incorporation, if applicable, as filed with the state in which
645 the applicant is incorporated; (B) the address of the applicant's

646 principal office in the state, if any, or the address of the applicant's
647 agent for service in the state; (C) the toll-free or in-state telephone
648 number of the applicant; (D) information about the applicant's
649 corporate structure, if applicable, including financial names and
650 financial statements, as appropriate, concerning corporate affiliates; (E)
651 disclosure of whether the applicant or any of the applicant's corporate
652 affiliates or officers, if applicable, have been or are currently under
653 investigation for violation of any consumer protection law or
654 regulation to which it is subject, either in this state or in another state.

655 (4) Not more than thirty days after receiving an application for a
656 certificate of registration, the department shall notify the applicant
657 whether the application is complete or whether the applicant must
658 submit additional information. The department shall grant or deny the
659 application for a certificate of registration not more than ninety days
660 after receiving all information required of an applicant. The
661 department shall hold a public hearing on an application upon the
662 request of any interested party.

663 (5) As a condition for maintaining a certificate of registration, the
664 registered electric aggregator shall ensure that, where applicable, it
665 complies with the National Labor Relations Act and regulations, if
666 applicable, and it complies with the Connecticut Unfair Trade Practices
667 Act and applicable regulations.

668 (6) Each registered electric aggregator shall update the information
669 contained in subdivision (3) of this subsection as necessary.

670 (7) Any registered electric aggregator that fails to comply with a
671 registration condition or who violates any provision of this section
672 shall be subject to civil penalties by the Department of Public Utility
673 Control in accordance with the procedures contained in section 16-41,
674 or the suspension or revocation of such registration, or a prohibition
675 on accepting new customers by the department following a hearing
676 that is conducted as a contested case in accordance with chapter 54.

677 Sec. 7. Section 16-245a of the general statutes is repealed and the

678 following is substituted in lieu thereof (*Effective July 1, 2002*):

679 [(a) To be licensed under section 16-245, an applicant for a license
680 shall demonstrate to the satisfaction of the Department of Public
681 Utility Control that not less than one-half of one per cent of its total
682 electricity output shall be generated from Class I renewable energy
683 sources and an additional five and one-half per cent of the total output
684 shall be from Class I or Class II renewable energy sources. On and after
685 July 1, 2001, not less than three-fourths of one per cent of the total
686 output of any such supplier shall be generated from Class I renewable
687 energy sources and an additional five and one-half per cent of the total
688 output shall be from Class I or Class II renewable energy sources. On
689 and after July 1, 2002, not less than one per cent of such output shall be
690 generated from Class I renewable energy sources and an additional
691 five and one-half per cent of the total output shall be from Class I or
692 Class II renewable energy sources. On and after July 1, 2003, not less
693 than one and one-half per cent of such output shall be generated from
694 Class I renewable energy sources and an additional five and one-half
695 per cent of the total output shall be from Class I or Class II renewable
696 energy sources. On and after July 1, 2004, not less than two per cent of
697 the total output of any such supplier shall be generated from Class I
698 renewable energy sources and an additional six per cent of the total
699 output shall be from Class I or Class II renewable energy sources. On
700 and after July 1, 2005, not less than two and one-half per cent of the
701 total output of any such supplier shall be generated from Class I
702 renewable energy sources and an additional six per cent of the total
703 output shall be from Class I or Class II renewable energy sources. On
704 and after July 1, 2006, not less than three per cent of the total output of
705 any such supplier shall be generated from Class I renewable energy
706 sources and an additional six per cent of the total output shall be from
707 Class I or Class II renewable energy sources. On and after July 1, 2007,
708 not less than four per cent of the total output of any such supplier shall
709 be generated from Class I renewable energy sources and an additional
710 six per cent of the total output shall be from Class I or Class II
711 renewable energy sources. On and after July 1, 2008, not less than five

712 per cent of the total output of any such supplier shall be generated
713 from Class I renewable energy sources and an additional six per cent
714 of the total output shall be from Class I or Class II renewable energy
715 sources. On and after July 1, 2009, not less than six per cent of the total
716 output of any such supplier shall be generated from Class I renewable
717 energy sources and an additional seven per cent of the total output
718 shall be from Class I or Class II renewable energy sources. An electric
719 supplier may satisfy the requirements of this subsection by
720 participating in a renewable energy trading program approved by the
721 state. Any supplier who provides electric generation services solely
722 from a Class II renewable energy source shall not be required to
723 comply with the provisions of this section.]

724 (a) An electric supplier shall demonstrate to the satisfaction of the
725 Department of Public Utility Control that on and after July 1, 2001, not
726 less than three-fourths of one per cent of the total output of any such
727 supplier shall be generated from Class I renewable energy sources and
728 an additional five and one-half per cent of such output shall be from
729 Class I or Class II renewable energy sources. An electric supplier and
730 an electric distribution company providing, pursuant to section 16-
731 244c, as amended by this act, default service or back-up generation
732 service shall demonstrate that on and after July 1, 2004, not less than
733 one per cent of the total output or services of any such supplier or
734 distribution company shall be generated from Class I renewable
735 energy sources and an additional six per cent of such output or
736 services shall be from Class I or Class II renewable energy sources of
737 which not less than two per cent shall be obtained from a Class II
738 biomass facility and not less than two per cent shall be obtained from a
739 trash-to-energy facility. On and after July 1, 2005, not less than one and
740 one-half per cent of such output or services shall be generated from
741 Class I renewable energy sources and an additional six per cent of such
742 output or services shall be from Class I or Class II renewable energy
743 sources of which not less than two per cent shall be obtained from a
744 Class II biomass facility and not less than two per cent shall be
745 obtained from a trash-to-energy facility. On and after July 1, 2006, not

746 less than two per cent of such output or services shall be generated
747 from Class I renewable energy sources and an additional six per cent
748 of such output or services shall be from Class I or Class II renewable
749 energy sources of which not less than two per cent shall be obtained
750 from a Class II biomass facility and not less than two per cent shall be
751 obtained from a trash-to-energy facility. On and after July 1, 2007, not
752 less than two and one-half per cent of such output or services shall be
753 generated from Class I renewable energy sources and an additional six
754 per cent of such output or services shall be from Class I or Class II
755 renewable energy sources of which not less than two per cent shall be
756 obtained from a Class II biomass facility and not less than two per cent
757 shall be obtained from a trash-to-energy facility. On and after July 1,
758 2008, not less than three per cent of such output or services shall be
759 generated from Class I renewable energy sources and an additional six
760 per cent of such output or services shall be from Class I or Class II
761 renewable energy sources of which not less than two per cent shall be
762 obtained from a Class II biomass facility and not less than two per cent
763 shall be obtained from a trash-to-energy facility. On and after July 1,
764 2009, not less than four per cent of such output or services shall be
765 generated from Class I renewable energy sources and an additional
766 seven per cent of such output or services shall be from Class I or Class
767 II renewable energy sources of which not less than two and one-half
768 per cent shall be obtained from a Class II biomass facility and not less
769 than two and one-half per cent shall be obtained from a trash-to-
770 energy facility. On and after July 1, 2010, not less than five per cent of
771 such output or services shall be generated from Class I renewable
772 energy sources and an additional seven per cent of such output or
773 services shall be from Class I or Class II renewable energy sources of
774 which not less than two and one-half per cent shall be obtained from a
775 Class II biomass facility and not less than two and one-half per cent
776 shall be obtained from a trash-to-energy facility. On and after July 1,
777 2011, not less than six per cent of such output or services shall be
778 generated from Class I renewable energy sources and an additional
779 seven per cent of such output or services shall be from Class I or Class
780 II renewable energy sources of which not less than two and one-half

781 per cent shall be obtained from a Class II biomass facility and not less
782 than two and one-half per cent shall be obtained from a trash-to-
783 energy facility. An electric supplier or electric distribution company
784 providing, pursuant to section 16-244c, as amended by this act, default
785 service or back-up generation service may satisfy the requirements of
786 this subsection by purchasing Class I or Class II renewable energy
787 sources within the jurisdiction of the regional independent system
788 operator, the New York Independent System Operator, or its successor
789 organization as approved by the Federal Energy Regulatory
790 Commission, or the PJM Interconnection, LLC, or its successor
791 organization as approved by the Federal Energy Regulatory
792 Commission or the Canadian Provinces of Ontario, Quebec, New
793 Brunswick, Newfoundland and Labrador, Nova Scotia or Prince
794 Edward Island or by participating in a renewable energy trading
795 program within said jurisdictions as approved by the Department of
796 Public Utility Control. Any supplier who provides electric generation
797 services solely from a Class II renewable energy source shall not be
798 required to comply with the provisions of this subsection.

799 (b) An [applicant's demonstration] electric supplier or an electric
800 distribution company providing, pursuant to section 16-244c, as
801 amended by this act, default service or back-up generation service
802 shall base its demonstration of generation sources, as required under
803 subsection (a) of this section [, shall be based] on historical data, which
804 may consist of data filed with the regional independent system
805 operator.

806 (c) (1) A supplier or an electric distribution company providing,
807 pursuant to section 16-244c, as amended by this act, default or back-up
808 generation service may make up any deficiency within its generation
809 service portfolio within the first three months of a calendar year or as
810 otherwise provided by generation information system operating rules
811 approved by New England Power Pool or its successor to meet the
812 generation source requirements of subsection (a) of this section for the
813 previous year.

814 (2) No such supplier or distribution company shall receive credit for
815 the current calendar year for generation from renewable energy
816 sources pursuant to this section where such supplier or distribution
817 company receives credit for the same year pursuant to subdivision (1)
818 of this subsection.

819 ~~[(c)]~~ (d) The department [may] shall adopt regulations pursuant to
820 chapter 54 to implement the provisions of this section.

821 Sec. 8. Subsection (a) of section 16-245l of the general statutes is
822 repealed and the following is substituted in lieu thereof (*Effective*
823 *October 1, 2002*):

824 (a) The Department of Public Utility Control shall establish and each
825 electric distribution company shall collect a systems benefits charge to
826 be imposed against all end use customers of each electric distribution
827 company beginning January 1, 2000. The department shall hold a
828 hearing that shall be conducted as a contested case in accordance with
829 chapter 54 to establish the amount of the systems benefits charge. The
830 department may revise the systems benefits charge or any element of
831 said charge as the need arises. The systems benefits charge shall be
832 used to fund (1) the expenses of the public education outreach
833 program developed under [subsection (a)] subsections (a), (f) and (g)
834 of section 16-244d other than expenses for department staff, (2) the
835 reasonable and proper expenses of the education outreach consultant
836 pursuant to subsection (d) of section 16-244d, (3) the cost of hardship
837 protection measures under sections 16-262c and 16-262d and other
838 hardship protections, including but not limited to, electric service bill
839 payment programs, funding and technical support for energy
840 assistance, fuel bank and weatherization programs and weatherization
841 services, (4) the payment program to offset tax losses described in
842 section 12-94d, as amended, (5) any sums paid to a resource recovery
843 authority pursuant to subsection (b) of section 16-243e, (6) low income
844 conservation programs approved by the Department of Public Utility
845 Control, (7) displaced worker protection costs, (8) unfunded storage
846 and disposal costs for spent nuclear fuel generated before January 1,

2000, approved by the appropriate regulatory agencies, (9) postretirement safe shutdown and site protection costs that are incurred in preparation for decommissioning, (10) decommissioning fund contributions, (11) costs associated with the independent third-party in procuring service contracts pursuant to subdivision (6) of subsection (b) of section 16-244c, as amended by this act, and ~~[(11)] (12)~~ legal, appraisal and purchase costs of a conservation or land use restriction and other related costs as the department in its discretion deems appropriate, incurred by a municipality on or before January 1, 2000, to ensure the environmental, recreational and scenic preservation of any reservoir located within this state created by a pump storage hydroelectric generating facility. As used in this subsection, "displaced worker protection costs" means the reasonable costs incurred, prior to January 1, 2006, by an electric company, [or] an operator of a nuclear power generating facility in this state or a generation entity or affiliate arising from the dislocation of any employee other than an officer, provided such dislocation is a result of restructuring of the electric generation market and such dislocation occurs on or after July 1, 1998; and provided further such costs result from either the execution of agreements reached through collective bargaining for union employees or from the company's or entity's or affiliate's programs and policies for nonunion employees. "Displaced worker protection costs" includes costs incurred or projected for severance, retraining, early retirement, outplacement, coverage for surviving spouse insurance benefits and related expenses. "Displaced worker protection costs" does not include those costs included in determining a tax credit pursuant to section 12-217bb.

Sec. 9. Subsection (d) of section 16-245m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2002*):

(d) (1) The Energy Conservation Management Board shall advise and assist the electric distribution companies in the development and implementation of a comprehensive plan, which plan shall be approved by the Department of Public Utility Control, to implement

881 cost-effective energy conservation programs and market
882 transformation initiatives. Each program contained in the plan shall be
883 reviewed by the electric distribution company and either accepted or
884 rejected by the Energy Conservation Management Board prior to
885 submission to the department for approval.

886 (2) Programs included in the plan shall be screened through cost-
887 effectiveness testing which compares the value and payback period of
888 program benefits to program costs to ensure that programs are
889 designed to obtain energy savings whose value is greater than the
890 costs of the programs. Cost effectiveness testing shall utilize available
891 information obtained from real-time monitoring systems to ensure
892 accurate validation and verification of energy use. Program cost-
893 effectiveness shall be reviewed annually, or otherwise as is practicable.
894 If a program is determined to fail the cost-effectiveness test as part of
895 the review process, it shall either be modified to meet the test or shall
896 be terminated. On or before January 31, 2001, and annually thereafter
897 until January 31, 2006, the board shall provide a report to the joint
898 standing committees of the General Assembly having cognizance of
899 matters relating to energy and the environment which documents
900 expenditures, fund balances and evaluates the cost-effectiveness of
901 such programs conducted in the preceding year.

902 (3) [Such programs] Programs included in the plan may include, but
903 not be limited to: [(1)] (A) Conservation and load management
904 programs; [(2)] (B) research, development and commercialization of
905 products or processes which are more energy-efficient than those
906 generally available; [(3)] (C) development of markets for such products
907 and processes; [(4)] (D) support for energy use assessment, real-time
908 monitoring systems, engineering studies and services related to new
909 construction or major building renovation; [(5)] (E) the design,
910 manufacture, commercialization and purchase of energy-efficient
911 appliances and heating, air conditioning and lighting devices; [(6)] (F)
912 program planning and evaluation; and [(7)] (G) public education
913 regarding conservation. Such support may be by direct funding,
914 manufacturers' rebates, sale price and loan subsidies, leases and

915 promotional and educational activities. Any other expenditure by the
916 collaborative shall be limited to retention of expert consultants and
917 reasonable administrative costs provided such consultants shall not be
918 employed by, or have any contractual relationship with, an electric
919 distribution company. Such costs shall not exceed five per cent of the
920 total revenue collected from the assessment.

921 Sec. 10. Subsection (a) of section 16-245n of the general statutes is
922 repealed and the following is substituted in lieu thereof (*Effective July*
923 *1, 2002*):

924 (a) For purposes of this section, "renewable energy" means solar
925 energy, wind, ocean thermal energy, wave or tidal energy, fuel cells,
926 landfill gas, hydrogen production and hydrogen conversion
927 technologies, and low emission advanced biomass conversion
928 technologies and other energy resources and emerging technologies
929 which have significant potential for commercialization and which do
930 not involve the combustion of coal, petroleum or petroleum products,
931 municipal solid waste or nuclear fission.

932 Sec. 11. Section 16-245n of the general statutes is amended by
933 adding subsection (e) as follows (*Effective October 1, 2002*):

934 (NEW) (e) Not later than January 1, 2003, and each year thereafter,
935 Connecticut Innovations, Incorporated shall submit a report to the
936 Department of Public Utility Control and the Office of Consumer
937 Counsel that summarizes its expenditures pursuant to this section.

938 Sec. 12. Subsection (a) of section 16-245o of the general statutes is
939 repealed and the following is substituted in lieu thereof (*Effective July*
940 *1, 2002*):

941 (a) To protect a customer's right to privacy from unwanted
942 solicitation, each electric company or electric distribution company, as
943 defined in section 16-1, as amended by this act, as the case may be,
944 shall distribute to each customer a form approved by the Department
945 of Public Utility Control which the customer shall submit to [his] the

946 customer's electric or electric distribution company in a timely manner
947 if [he] the customer does not want [his] the customer's name, address,
948 telephone number and rate class to be released to electric suppliers, as
949 defined in said section 16-1. On and after July 1, 1999, each electric or
950 electric distribution company, as the case may be, shall make available
951 to all electric suppliers customer names, addresses, telephone
952 numbers, if known, and rate class, unless the electric company or
953 electric distribution company has received a form from a customer
954 requesting that such information not be released. Additional
955 information about a customer for marketing purposes shall not be
956 released to any electric supplier unless a customer [signs a release
957 which shall be made available by the department] consents to a release
958 by one of the following: (1) An independent third-party telephone
959 verification; (2) receipt of a written confirmation received in the mail
960 from the customer after the customer has received an information
961 package confirming any telephone agreement; (3) the customer signs a
962 document fully explaining the nature and effect of the release; or (4)
963 the customer's consent is obtained through electronic means,
964 including, but not limited to, a computer transaction.

965 Sec. 13. Subsection (e) of section 16-245o of the general statutes is
966 repealed and the following is substituted in lieu thereof (*Effective July*
967 *1, 2002*):

968 (e) Each electric supplier shall, prior to the initiation of electric
969 generation services, provide the potential customer with a written
970 notice describing the rates, information on air emissions and resource
971 mix of generation facilities operated by and under long-term contract
972 to the supplier, terms and conditions of the service, and a notice
973 describing the customer's right to cancel the service, as provided in this
974 section. No electric supplier shall provide electric generation services
975 unless the customer has signed a service contract or consents to such
976 services [pursuant to section 16-245s] by one of the following: (1) An
977 independent third-party telephone verification; (2) receipt of a written
978 confirmation received in the mail from the customer after the customer
979 has received an information package confirming any telephone

980 agreement; (3) the customer signs a document fully explaining the
981 nature and effect of the initiation of the service; or (4) the customer's
982 consent is obtained through electronic means, including, but not
983 limited to, a computer transaction. A customer shall, until midnight of
984 the third business day after the day on which the customer enters into
985 a service agreement, have the right to cancel a contract for electric
986 generation services entered into with an electric supplier.

987 Sec. 14. Section 16-245p of the general statutes is repealed and the
988 following is substituted in lieu thereof (*Effective January 1, 2004*):

989 (a) [Upon being issued a license pursuant to section 16-245, an] An
990 electric supplier and an electric distribution company providing,
991 pursuant to section 16-244c, as amended by this act, default service or
992 back-up generation service shall submit information to the Department
993 of Public Utility Control that the department, after consultation with
994 the Consumer Education Advisory Council, established under section
995 16-244d, determines will assist customers in making informed
996 decisions when choosing an electric supplier, including, but not
997 limited to, the information provided in subsection (b) of this section.
998 Each supplier or electric distribution company providing, pursuant to
999 section 16-244c, as amended by this act, default service or back-up
1000 generation service shall submit, on a form prescribed by the
1001 department, quarterly reports containing information on rates and any
1002 other information the department deems relevant, including, but not
1003 limited to, any change in the information as required by the
1004 department. After the department has received the information
1005 required pursuant to this subsection, the supplier shall be eligible to
1006 receive customer marketing information from electric or electric
1007 distribution companies, as provided in section 16-245o, as amended by
1008 this act.

1009 (b) The Department of Public Utility Control shall maintain and
1010 make available to customers upon request, a list of electric aggregators
1011 and the following information about each electric supplier, as defined
1012 in section 16-1, as amended by this act, and each electric distribution

1013 company providing, pursuant to section 16-244c, as amended by this
1014 act, default service or back-up generation service: (1) Rates and
1015 charges; [provided by an electric supplier;] (2) applicable terms and
1016 conditions of a contract for electric generation services; [provided by
1017 an electric supplier;] (3) the percentage of [each supplier's] the total
1018 electric output derived from each of the categories of energy sources
1019 provided in subsection (e) of section 16-244d, the total emission rates
1020 [at which each facility operated by or under long-term contract to the
1021 electric supplier emits] of nitrogen oxides, sulfur oxides, carbon
1022 dioxide, carbon monoxide, particulates, heavy metals and other wastes
1023 the disposal of which is regulated under state or federal law at the
1024 facilities operated by or under long-term contract to the electric
1025 supplier or providing generation services to an electric distribution
1026 company providing, pursuant to section 16-244c, as amended by this
1027 act, default service or back-up generation service, and the analysis of
1028 the environmental characteristics of each such category of energy
1029 source prepared pursuant to subsection (e) of said section 16-244d and
1030 to the extent such information is unknown, the estimated percentage of
1031 the [electric supplier's] total electric output for which such information
1032 is unknown, along with the word "unknown" for that percentage; (4) a
1033 record of customer complaints and the disposition of each complaint;
1034 and (5) any other information the department determines will assist
1035 customers in making informed decisions when choosing an electric
1036 supplier. The department shall update the information at least
1037 quarterly. The department shall put such information in a standard
1038 format so that a customer can readily understand and compare the
1039 services provided by each electric supplier.

1040 Sec. 15. Section 16-245s of the general statutes is amended by adding
1041 subsection (d) as follows (*Effective July 1, 2002*):

1042 (NEW) (d) The Department of Public Utility Control may adopt
1043 regulations, in accordance with chapter 54, to address abusive
1044 switching practices by suppliers.

1045 Sec. 16. (*Effective July 1, 2002*) Not later than July 1, 2003, the

1046 Department of Public Utility Control shall open a docket to review and
1047 adopt generation interconnection protocols. Provided the Institute of
1048 Electrical and Electronics Engineers, or its successor, has adopted such
1049 protocols, there shall be a rebuttable presumption that the department
1050 shall adopt such protocols.

1051 Sec. 17. (*Effective July 1, 2002*) The Department of Public Utility
1052 Control shall, within available resources, conduct a study in
1053 consultation with the Energy Conservation Management Board that
1054 examines different means to encourage end users of electricity to
1055 conserve electricity, including, but not limited to, the use of enhanced
1056 time-of-day metering or seasonal rates. Not later than January 1, 2003,
1057 the department shall submit a report on its findings and
1058 recommendations to the joint standing committee of the General
1059 Assembly having cognizance of matters relating to energy, in
1060 accordance with the provisions of section 11-4a of the general statutes.

1061 Sec. 18. (*Effective July 1, 2002*) Notwithstanding the provisions of
1062 section 13 of public act 01-9 of the June special session, the Department
1063 of Public Utility Control shall not authorize any further disbursements
1064 from the Energy Conservation and Load Management Funds to the
1065 General Fund. Any such disbursed funds that are unencumbered or
1066 not allotted on the effective date of this act shall be returned to said
1067 department and deposited in the Energy Conservation and Load
1068 Management Funds in the same proportion in which such funds were
1069 disbursed.

1070 Sec. 19. (*Effective July 1, 2002*) Notwithstanding the provisions of
1071 section 16-245m of the general statutes, as amended by this act, not
1072 later than July 1, 2005, the Department of Public Utility Control, after
1073 consultation with the Energy Conservation Management Board, may
1074 authorize disbursements of up to a total of three and one-half million
1075 dollars from the Energy Conservation and Load Management Funds
1076 established pursuant to said section to the Institute of Sustainable
1077 Energy at Eastern Connecticut State University. The institute shall use
1078 such funds for the development of an energy curricula and a research

1079 office to serve the needs of this state, its citizens and regional energy
 1080 partners in furtherance of the enhancement of a comprehensive and
 1081 cohesive state and regional energy policy. The amount disbursed from
 1082 each fund shall be proportionately based on the receipts received by
 1083 each fund. Not later than January 1, 2003, and each year thereafter, the
 1084 institute shall submit a report to the Department of Public Utility
 1085 Control and the Office of Consumer Counsel that summarizes the
 1086 expenditures pursuant to this section.

1087 Sec. 20. (*Effective July 1, 2002*) Section 16-6c of the general statutes is
 1088 repealed."

This act shall take effect as follows:	
Section 1	<i>July 1, 2002</i>
Sec. 2	<i>July 1, 2002</i>
Sec. 3	<i>July 1, 2002</i>
Sec. 4	<i>July 1, 2002</i>
Sec. 5	<i>July 1, 2002</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>July 1, 2002</i>
Sec. 8	<i>October 1, 2002</i>
Sec. 9	<i>October 1, 2002</i>
Sec. 10	<i>July 1, 2002</i>
Sec. 11	<i>October 1, 2002</i>
Sec. 12	<i>July 1, 2002</i>
Sec. 13	<i>July 1, 2002</i>
Sec. 14	<i>January 1, 2004</i>
Sec. 15	<i>July 1, 2002</i>
Sec. 16	<i>July 1, 2002</i>
Sec. 17	<i>July 1, 2002</i>
Sec. 18	<i>July 1, 2002</i>
Sec. 19	<i>July 1, 2002</i>
Sec. 20	<i>July 1, 2002</i>